November 24, 2010

Re: Fill the Funding Gap for the Pell Grant Program

Dear Majority Leader Reid, Minority Leader McConnell, Chairman Inouye, and Ranking Member Cochran:

While Congress considers a final appropriations bill for this year, we urge you to take immediate action to fill the $5.7 billion projected funding gap for the Pell Grant program. As you know, Pell Grants are the cornerstone of federal financial aid, enabling nine million students to afford higher education and post-secondary job training at a time when our economy is in dire need of skilled professionals.

The economic downturn has resulted in an increase of one million students over two years receiving Pell Grants to help pay for college. At the same time, the business sector is calling for more college-educated workers; the Business Roundtable reports that 65 percent of employers require an associate’s degree or higher for the majority of available jobs. Even in the current economy, many mid-level skill jobs are not being filled. In order to address the shortage, young people need training, low-skilled workers need new skills, and many laid-off workers need retraining – the kind of help they can get from an associate’s or bachelor’s degree, or some other higher education credential.

Earlier this year Congress enacted legislation that provides annual increases to the maximum Pell Grant award, and sets a $5,550 maximum award level for students from the lowest income backgrounds for this coming year. Without the appropriation of an additional $5.7 billion, the maximum aid award next year will be slashed by $845. A more than 15 percent reduction to the program would eliminate Pell Grant access to hundreds of thousands of students while millions more will have their awards deeply cut.

If our country is to emerge from our economic downturn, we must invest in the students and workers who are the future of our workforce. As organizations representing young adults, students, workers, and families, we ask that you take swift action to fill the $5.7 billion Pell Grant funding gap by the end of the year.
Sincerely,

All Education Matters, Inc
American Student Association of Community Colleges (ASACC)
Asian Pacific American Labor Alliance, AFL-CIO
Campaign for College Affordability
Campus Progress
CLASP
Council for Opportunity in Education (COE)
Demos
The Education Trust
Jobs for the Future
National Skills Coalition
Rock the Vote
The Institute for College Access and Success (TICAS)
United States Student Association (USSA)
U.S. Public Interest Research Group (PIRG)
Young Invincibles